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BEFORE THE ARIZONA CORPORATION COMMISSION

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AZ CORP COMMISSION

Carl J. Kunasek  
Chairman  
Jim Irvin  
Commissioner  
William Mundell  
Commissioner

Arizona Corporation Commission

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In the Matter of Plan to Implement Toll  
Carrier Presubscription System Based on  
State Rather than LATA Boundaries.

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Dkt. No. RT-00000J-99-0095

Sprint's Comments

Sprint Communications Company L.P., ("Sprint"), submits the following in response to David Motycka's memo of July 2, 1999 ("staff memo"), seeking comments on implementation of a plan to redefine LATA boundaries and establish carrier selection rules on statewide basis:

1. In its memo, the Commission staff has requested comments on the two aspects of the Commission decision in this proceeding: Redefinition of LATA boundaries and toll carrier presubscription rules on a statewide basis. Sprint must first note its disagreement with U S West's position that the Arizona Corporation Commission has authority to redefine the LATA's in Arizona. As clearly articulated by the Federal Communications Commission in a declaratory ruling,<sup>1</sup> the FCC has the sole and exclusive authority to determine LATA boundaries under the Telecommunications Act of 1996. Absent a change in the LATA boundaries by the FCC, U S West is prohibited from providing services that are currently interLATA in nature unless and until it receives authority under §271. Thus, if the Arizona Commission wishes to provide for

<sup>1</sup> *In the Matter of Petition for Declaratory Ruling Regarding U S WEST Petitions to Consolidate LATAs in Minnesota and Arizona*, Docket No. NSD-L-97-6, (April 21, 1997);

toll carrier presubscription on a statewide basis, it could legitimately do so only after U S West receives §271 authority.<sup>2</sup>

2. Given the clear absence of ACC authority to change LATA boundaries, Sprint does not believe that it would be productive to provide comprehensive suggestions and comments regarding the details of rules for LATA boundaries or presubscription that are unlikely to be fully implemented. However, Sprint is concerned that U S West may commence implementation of an intrastate/interstate carrier selection process, with resulting customer confusion and wasted efforts, before the process is halted. In order to highlight such potential, Sprint would comment on one aspect of statewide presubscription – customer balloting.

3. Currently, customers in Arizona presubscribe to a carrier to provide intraLATA 1+ calling and separately presubscribe to a carrier for interLATA 1+ calls, both interstate interLATA and intrastate interLATA.<sup>3</sup> If presubscription is changed from an interLATA/intraLATA basis to an intrastate/interstate basis, there will need to be some process for determining the interstate and intrastate prescribed carriers.<sup>4</sup> This is especially so for customers who currently have different interLATA and intraLATA carrier selections. The only reasonable process is to ballot customers to allow them to select their intrastate carrier, since the Commission could not reasonably make any presumptions about customers preferences for either their current interLATA or intraLATA carrier for intrastate purposes. Although it may be reasonable to presume that customers would stay with their current interLATA carrier for interstate purposes since that carrier currently carries all such traffic, there is no basis for

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<sup>2</sup> Statewide presubscription could also be implemented by excluding U S West from carrying any interexchange toll traffic but U S West might object that this was not “procompetitive” under the FCC’s Second Report and Order regarding implementation of dialing parity.

<sup>3</sup> A customer may have the same carrier selected for both intraLATA and interLATA 1+ calling but obviously only if that carrier is currently authorized to provide interLATA services. If a customer is using U S West for intraLATA calling, a different carrier, of necessity, is currently the interLATA selection.

knowing which of the two current intrastate providers might be preferred.<sup>5</sup> Thus, balloting of customers to allow for selection of at least the intrastate carrier would be necessary. Such balloting would, of course, need to be preceded by significant efforts by all carriers to be placed on ballots and to “educate” customers on their “new” options. Such education efforts would need to be substantial in view of the purported change from the customers’ fifteen years of experience with current LATAs.

4. However, in light of the FCC’s exclusive authority to change LATA boundaries, the “new” statewide carrier selection option would either not be fully implemented or would be reversed. Thus, any information provided to customers about selection of statewide 1+ carriers before the process is ultimately halted would have to be corrected and customers told to ignore that misinformation. Clearly, such a reversal of directions would result in substantial customer confusion. In order to avoid such customer confusion and the significant efforts that might be required of all carriers, the Commission should not allow U S West to commence implementation of this invalid process.

IN CONCLUSION, Sprint believes that U S West’s attempt to change LATA boundaries will be found to be in violation of the Act and FCC rules. Any attempted implementation of carrier selection on a statewide basis would require reballoting of customers since there is no other reasonable basis for determining the presubscribed carrier. However, any reballoting process, including customer information, would eventually have to be halted and reversed. Sprint consequently urges the Commission not to implement statewide carrier selection rules in order to avoid customer confusion and unproductive carrier efforts that would inevitably result from such reversal.

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<sup>4</sup> Even under the Commission’s purported change of Arizona LATA boundaries, U S West could not be the interstate carrier until it receives §271 authority.

Dated: July 23, 1999

Respectfully submitted,



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Certificate of Service

The undersigned hereby certifies that the foregoing was served by mailing a copy to the persons on the attached service list for this matter on this 22<sup>nd</sup> day of July, 1999.



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<sup>5</sup> Of course, customers may also wish to change to an entirely new carrier.